

MINUTES

**MONTANA SENATE
56th LEGISLATURE - REGULAR SESSION
FREE CONFERENCE COMMITTEE ON HB 2**

Call to Order: By **CHAIRMAN CHUCK SWYSGOOD** , on April 14, 1999 at 8:15 A.M., in Room 312-2 Capitol.

ROLL CALL

Members Present:

Sen. Chuck Swysgood, Chairman (R)
Sen. Arnie Mohl (R)
Sen. Linda Nelson (D)
Rep. Tom Zook, Chairman (R)
Rep. Ernest Bergsagel (R)
Rep. Joe Quilici (D)

Members Excused: None.

Members Absent: None.

Staff Present: Shannon Gleason, Committee Secretary
Clayton Schenck, Legislative Branch

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing(s) & Date(s) Posted: HB 2, 4/17/1999
Executive Action: HB 2

Motion/Vote: REP. BERGSAGEL moved SECTION A BE OPENED. Motion carried unanimously.

Motion/Vote: SEN. MOHL moved that AMENDMENT HB000263.ASC EXHIBIT (frs81hb0002a01) BE ADOPTED. Motion carried 4-2 with Nelson and Bergsagel voting no.

Motion/Vote: SEN. NELSON moved that **AMENDMENT HB000261.ASC EXHIBIT(frs81hb0002a02)** BE ADOPTED. Motion carried 5-1 with Bergsagel voting no.

Discussion: CHAIRMAN SWYSGOOD explained **AMENDMENT HB000262**, pertaining to judges.

REP. ZOOK advised this is not needed.

No one moved the amendment

Motion/Vote: REP. ZOOK moved that **AMENDMENT HB000232.AJT EXHIBIT(frs81hb0002a03)** BE ADOPTED. Motion carried unanimously. *{Tape : 1; Side : A; Approx. Time Counter : 8:30}*

Motion: SEN. NELSON moved that **AMENDMENT HB000228.AJT EXHIBIT(frs81hb0002a04)** BE ADOPTED.

Discussion:

REP. BERGSAGEL asked how the program was handled prior, and why this was needed now. **Frank Cote**, Auditors' Office, advised when the Living Trust Act was passed by the last session was sunset. Last session allowed a full-time FTE and because of the sunset the FTE is being reduced.

Vote: Motion carried unanimously.

Motion: REP. QUILICI moved that **AMENDMENT HB000277.AGD EXHIBIT(frs81hb0002a05)** BE ADOPTED.

Bob Turner, Department of Transportation, explained **SB 401** expanded the program, and added a sliding scale for exemptions. The FTE was needed educate the farmers affected by this bill.

SEN. MOHL thought this had a sunset after two years, and therefore the FTE should be sunset. **Greg DeWitt**, Legislative Staff, advised the appropriation was a one-time only.

REP. ZOOK asked if the information had to be submitted with income taxes. **Mr. Turner** explained the ratio would be determined using access to the income tax records. REP. ZOOK felt this might reduce the workload. **Mr. Turner** advised it would increase the workload.

SEN. NELSON wanted to know how many people were working on this project. **Mr. Turner** advised two FTE and two temporary employees, however the new employees would be temporary.

Vote: Motion carried 5-1 with Zook voting no.

Motion: REP. **QUILICI** moved that **AMENDMENT HB000273 INVOLVING SB 421 BE ADOPTED.**

Discussion:

SEN. MOHL believed the Federal government would not participate in the funding because of the amendments done in the House. **Jim Currie**, Department of Transportation, was not aware of the program not qualifying for the Federal funds. The committee had been told two different things and they decided to hold the amendment until later.

REP. **QUILICI** withdrew his motion.

Motion/Vote: SEN. **NELSON** moved that **AMENDMENT HB000252.ATP EXHIBIT (frs81hb0002a06) BE ADOPTED.** Motion carried 4-2 with Swysgood and Bergsagel voting no.

Motion: SEN. **NELSON** moved that **AMENDMENT HB000258.ARL EXHIBIT (frs81hb0002a07) BE ADOPTED.**

Discussion:

Roger Lloyd, Legislative Staff, explained the amendment eliminated the statutory appropriation. This would result in State Special Revenue funds being replaced with General Funds.

Vote: Motion carried unanimously.

Motion: SEN. **NELSON** moved that **AMENDMENT HB000220.AJT EXHIBIT (frs81hb0002a08) BE ADOPTED.**

Discussion:

REP. **BERGSAGEL** asked why the FTE was being increased. **Mary Bryson**, Department of Revenue, explained the size of the population the tax was being assessed on was tripled. **Ms. Bryson** felt with the new computer, and a efficiently trained person the FTE could be reduced in the future.

SEN. NELSON amended the amendment to state if **HB 15** is approved the employee was one-time only and if **HB 15** did not pass the appropriation would not be one time.

Vote: Motion carried unanimously.

{Tape : 1; Side : B; Approx. Time Counter :}

Motion: **REP. BERGSAGEL** moved that **AMENDMENT HB000222.AJT EXHIBIT**(frs81hb0002a09) **WITH THE AMOUNT AND FTE REDUCED BY HALF BE ADOPTED.**

Discussion:

Ms. Bryson agreed with the assessment made by **REP. BERGSAGEL**, but noted there was expertise currently that could be hired.

REP. BERGSAGEL stated the department must develop only the rules, as the credits would be accepted.

Vote: Motion carried unanimously.

Motion: **REP. BERGSAGEL** moved that **AMENDMENT HB000223.AJT EXHIBIT**(frs81hb0002a10) **BE ADOPTED.**

Discussion:

CHAIRMAN SWYSGOOD wanted the restrictive language removed.

Vote: **AMENDMENT HB000223.AJT BE APPROVED AS AMENDED.** Motion carried unanimously.

Motion: **SEN. NELSON** moved that **AMENDMENT HB000227.AJT EXHIBIT**(frs81hb0002a11) **BE ADOPTED.** *{Tape : 1; Side : B; Approx. Time Counter : 9:01}*

Discussion:

REP. ZOOK asked if the amendment reduced the State Auditor's budget, and explained the Auditor's Office did not get the money this time since it was a line item.

Vote: Motion carried unanimously.

The Committee took a break and began again at 9:30.

Motion: **REP. ZOOK** moved **SECTION B be opened.** Motion carried unanimously.

Motion/Vote: REP. ZOOK moved that AMENDMENT HB000260.ARL
EXHIBIT(frs81hb0002a12) BE ADOPTED. Motion carried unanimously.

Motion/Vote: REP. ZOOK moved that AMENDMENT HB000280.ALT
EXHIBIT(frs81hb0002a13) BE ADOPTED. Motion carried unanimously.
Chuck Hunter, Department of Public Health and Human Services
(DPHHS) agreed with the amendment.

Motion: REP. ZOOK moved that AMENDMENT HB000297.ALS
EXHIBIT(frs81hb0002a14) BE ADOPTED.

Discussion:

SEN. NELSON opposed the amendment because other state personnel received a 3% increase, and this was a fairness issue.

REP. BERSAGEL supported the amendment because salary increases were given. There were concerns with the budget's ending balance.

Rose Hughes, Montana Health Care Association, resisted the amendment.

Wally Melcher, Developmentally Disabled System Advocacy Committee, resisted the amendment.

Vote: Motion carried 4-2 with Nelson and Quilici voting no.

Motion/Vote: SEN. NELSON moved that AMENDMENT HB000275.ALT
EXHIBIT(frs81hb0002a15) BE ADOPTED. Motion carried 5-1 with Bergsagel voting no.

Motion: SEN. NELSON moved that AMENDMENT HB000274.ALT
EXHIBIT(frs81hb0002a16) BE ADOPTED.

Discussion:

REP. ZOOK felt the department could absorb the cost of counseling, and wanted to know how the figures were determined.
Mr. Hunter, DPHHS, advised the figure was based on cases for the past year.

Vote: Motion failed 2-4 with Quilici and Nelson voting yes.
{Tape : 1; Side : B; Approx. Time Counter : 9:50}

Motion: Sen. NELSON moved that AMENDMENT HB000282.ALT
EXHIBIT(frs81hb0002a17) BE ADOPTED.

Discussion:

REP. ZOOK wanted to know how the money was being spent, and if there were guidelines. **Nancy Ellery**, DPHHS, advised there were guidelines established, and 95% of the money was going back to the communities. **REP. ZOOK** asked if it was a grant program. **Ms. Ellery** advised it would be a competitive grant program and the department would be evaluating the programs ongoing.

REP. ZOOK asked if this was the only tool left to address tobacco use. **Ms. Ellery** advised it was.

REP. BERGSAGEL stated the majority of the House did not agree with allocating the money, they felt it should be left for the next legislature.

CHAIRMAN SWYSGOOD asked **SEN. NELSON** to withdraw her motion because there were issues he wanted to get clarification on. **SEN. NELSON** withdrew the motion.

There were several amendments discussed; however none were moved. The committee took a break until 10:27 {Tape : 2; Side : A; Approx. Time Counter : 10:27}

Motion/Vote: **REP. ZOOK** moved that **AMENDMENT HB000282.ALT EXHIBIT(frs81hb0002a18)** BE ADOPTED. Motion carried unanimously.

Motion: **SEN. NELSON** moved that **AMENDMENT HB000281.ALT EXHIBIT(frs81hb0002a19)** BE ADOPTED.

Discussion:

MaryAnn Wellbank, DPHHS, explained the language already prohibits the \$7.00 fee, however a fee the department paid to other agencies was eliminated by mistake.

REP. BERGSAGEL asked what the net impact was. **Ms. Wellbank** advised \$120,000.00 over the biennium.

CHAIRMAN SWYSGOOD advised the amendment would replace the fees. **Ms. Wellbank** advised it would prohibit the \$7.00 fee, but allow the other fees. **REP. BERGSAGEL** stated he was wrong regarding the fee. **CHAIRMAN SWYSGOOD** advised he was also wrong, going the other way.

REP. QUILICI advised without this amendment the department would not be able to collect the other fees.

Vote: Motion carried unanimously.

Motion: REP. BERGSAGEL moved that AMENDMENT HB000283.ALT
EXHIBIT(frs81hb0002a20) BE ADOPTED.

Discussion:

CHAIRMAN SWYSGOOD advised the subcommittee had a question on the Title 20 grants and was forced to refinance the funds. \$2,200,000.00 was take from the General Fund and TANF money was used.

REP. QUILICI stated the General Fund money was already appropriated.

SEN. NELSON asked what Title 20 was. **Lois Steinbeck**, Legislative Staff, advised it was the Federal Block Grant for low income and community services.

Vote: Motion carried unanimously.

Motion/Vote: REP. BERGSAGEL moved that AMENDMENT HB000278.ALT
EXHIBIT(frs81hb0002a21) BE ADOPTED. Motion carried unanimously.

Motion: REP. ZOOK moved that AMENDMENT HB000279.ALT BE ADOPTED.

Discussion:

REP. QUILICI thought the agency had funds for a study. **CHAIRMAN SWYSGOOD** advised no study was needed, a proposal should be completed with a recommendation for the future of the facilities.

Gloria Paladicheck, City of Glendive, advised **Eastmont** had no objection to the amendment.

Vote: Motion carried unanimously.
{Tape : 2; Side : A; Approx. Time Counter : 10:40}

Motion: REP. ZOOK moved that AMENDMENT HB000263.ALS
EXHIBIT(frs81hb0002a22) BE ADOPTED.

Discussion:

Dan Anderson, DPHHS, advised this would allow more flexibility.

Vote: Motion carried unanimously.

There was considerable discussion on amendment **HB000282** relating to the construction of the new state hospital, however no one moved the amendment.

Motion: **REP. QUILICI** moved that **AMENDMENT HB000286.ALT EXHIBIT (frs81hb0002a23)** BE ADOPTED.

Discussion:

Hank Hudson, DPHHS, advised the language removed needs to be addressed. **REP. BERGSAGAL** asked if the information was available. **Mr. Hudson** stated there is some information available. **CHAIRMAN SWYSGOOD** felt there was no need for the amendment.

Vote: Motion failed 2-4 with **Nelson** and **Quilici** voting yes.

Motion/Vote: **SEN. NELSON** moved **SECTION C BE OPENED**. Motion carried unanimously. {Tape : 2; Side : A; Approx. Time Counter : 11:00}

Motion: **REP. QUILICI** moved that **AMENDMENT HB000260.ARL EXHIBIT (frs81hb0002a24)** BE ADOPTED.

Discussion:

SEN. MOHL asked what the funding source was. **Dave Mott**, Department of Fish, Wildlife, and Parks (**DFWP**), advised it was State Special Revenue from license fees. **SEN. MOHL** asked if the licensing fees were increasing. **Mr. Mott** stated no.

REP. BERGSAGEL wanted to know if the FTE would be required over a period of time, or just for the initial set up. **Mr. Mott** advised the individual would be required over a period of time.

REP. QUILICI thought there was a program in effect now. **Mr. Mott** advised there was a Block Management Program for hunters, and this was additional.

REP. QUILICI requested the amendment be a one time only appropriation. **REP. ZOOK** was unsure if he wanted the one time only language. **REP. BERGSAGEL** felt the program should be reviewed by the next legislature and therefore one-time only.

Vote: Motion carried unanimously.

Motion/Vote: REP. ZOOK moved that AMENDMENT HB000298.ACS
EXHIBIT(frs81hb0002a25) BE ADOPTED. Motion carried unanimously.
{Tape : 2; Side : B; Approx. Time Counter : 11:10}

Motion: REP. ZOOK moved that AMENDMENT HB000261.ARL
EXHIBIT(frs81hb0002a26) BE ADOPTED.

Discussion:

REP. ZOOK asked where the fines went. Mr. Mott, DFWP, advised the majority was reverted into the General Fund, however due to some laws some of the fees went to the department.

Vote: Motion failed 0-6.

The committee took a break until 11:30

Motion: REP. QUILICI moved that AMENDMENT HB000262.ARL
EXHIBIT(frs81hb0002a27) BE ADOPTED.

Discussion:

SEN. MOHL thought a junk vehicle tax was already being charged. CHAIRMAN SWYSGOOD advised this allows the money to be taken from the fee. REP. BERGSAGEL advised the tax goes to the state and the counties apply for the fees to remove junk vehicles.

Vote: Motion carried unanimously.

Motion/Vote: REP. BERGSAGEL moved that AMENDMENT HB000259.ARL
EXHIBIT(frs81hb0002a28) BE ADOPTED. Motion carried unanimously.

Motion: SEN. NELSON moved that AMENDMENT HB000263.ARL
EXHIBIT(frs81hb0002a29) BE ADOPTED.

Discussion:

REP. QUILICI asked what the excess loan loss money was. Ray Beck, Department of Natural Resources, explained the fund. REP. BERGSAGLE thought there was money appropriated in HB 6 for this. Mr. Beck advised it was two separate funds.

CHAIRMAN SWYSGOOD asked if this would reduce the amount of money available for loans. Mr. Beck advised it would not.

Vote: Motion carried unanimously.

Motion: REP. NELSON moved that **AMENDMENT HB000249.ATP EXHIBIT**(frs81hb0002a30) BE ADOPTED.

Discussion:

REP. BERGSAGEL asked how much money was in the trust. CHAIRMAN SWYSGOOD advised \$2,500,000.00 and the cap would be raised to \$10,000,000.00

Vote: Motion carried unanimously.

Motion/Vote: SEN. NELSON moved that **AMENDMENT HB000250.ATP EXHIBIT**(frs81hb0002a31) BE ADOPTED. Motion carried unanimously.

Motion/Vote: REP. BERGSAGEL moved that **AMENDMENT HB000251.ATP EXHIBIT**(frs81hb0002a32) BE ADOPTED. Motion carried unanimously.

Motion: SEN. NELSON moved that **AMENDMENT HB000256.ATP EXHIBIT**(frs81hb0002a33) BE ADOPTED.

Discussion:

Ralph Peck, Department of Agriculture, explained this was part of the vision 2005 Jobs and Income recommendation. This allows co-op farms, and was matched with Federal funds. REP. BERGSAGEL asked if it inhibited the growth. Mr. Peck advised the match was needed for Federal funds.

REP. ZOOK asked if this was parallel to North Dakota. Mr. Peck advised it was.

SEN. MOHL asked if the \$600,000.00 had to be spent in one year. REP. ZOOK advised item two was biannual.

CHAIRMAN SWYSGOOD asked where the \$65,000.00 went now. Mr. Peck advised it was tied to **HB 260**, and none of the money was General Fund. CHAIRMAN SWYSGOOD advised **SB 260** had additional money for the **Growth Through Agriculture** program and felt this could be done with those funds. Mr. Peck advised the amendment directed the department to do that.

Vote: Motion carried unanimously.

{Tape : 2; Side : B; Approx. Time Counter : 11:47}

Several amendments were read, however no one introduced them.

Motion: REP. BERGSAGEL moved that **AMENDMENT HB000263.AGD EXHIBIT**(frs81hb0002a34) BE ADOPTED.

Discussion:

REP. BERGSAGEL asked if this could be rolled into **SB 260**.

Peter Blouke, Department of Commerce, advised this was to designate the appropriations already in **HB 2** to a one time only.

Greg DeWitt, Legislative Staff, advised that was correct.

Vote: Motion carried unanimously.

Motion/Vote: REP. BERGSAGEL moved that **AMENDMENT HB000268.AGD EXHIBIT**(frs81hb0002a35) BE ADOPTED. Motion carried unanimously.

Motion/Vote: REP. BERGSAGEL moved that **AMENDMENT HB000261.AGD EXHIBIT**(frs81hb0002a36) BE ADOPTED. Motion carried unanimously.

ADJOURNMENT

Adjournment: 12:02 P.M.

SEN. CHUCK SWYSGOOD, Chairman

SHANNON GLEASON, Secretary

CS/SG

EXHIBIT (frs81hb0002aad)